



Miami-Dade County Board of County Commissioners

Office of the Commission Auditor

**Legislative Analysis**

**Community Empowerment and Economic  
Revitalization Committee**

Tuesday, October 11, 2005  
2:00 PM  
Commission Chamber

Charles Anderson, CPA  
Commission Auditor

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**Miami-Dade County Board of County Commissioners  
Office of the Commission Auditor**

**Legislative Analysis**

**Community Empowerment & Economic Revitalization Committee  
Meeting Agenda**

**Tuesday, October 11, 2005**

Written analyses for the below listed items are attached for your consideration in this Legislative Analysis.

**Item Number(s)**

3B	3E
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Supplementary Information for the below listed items are attached for your consideration in this Legislative Analysis.

3A	4A
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If you require further analysis of these or any other agenda items, please contact Guillermo Cuadra, Chief Legislative Analyst, at (305) 375-5469.

Acknowledgements--Analyses prepared by:  
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**LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT**

*AMENDMENTS TO SECTION 2-11.16 OF THE MIAMI-DADE COUNTY CODE,  
RESPONSIBLE WAGES AND BENEFITS ON COUNTY CONSTRUCTION  
CONTRACTS.*

Department of Business Development

**I. SUMMARY**

This ordinance amends Section 2-11.16 of the Miami-Dade County Code regarding Responsible Wages and Benefits on County Construction Contracts. The amendments would ensure that laborers and mechanics receive responsible wages by closing loopholes in the current code and would provide stiffer penalties for contractors who do not abide by the revised Code.

**II. PRESENT SITUATION**

According to Section 2-11.16 of the Miami-Dade County Code, bidders who are awarded County construction contracts in excess of \$100,000 must pay laborers and mechanics a base hourly rate outlined in the negotiated contract plus health and pension benefits. The section was amended on July 23, 2002, to provide an annual review and increase in the required base salary for construction workers on County contracts.

While the intention of this section of the Code is to ensure prompt and proper payment of laborers and mechanics working on County contracts, the current language of the code allows for contractors to circumvent paying laborers a responsible wage by allowing the contractor to set aside a large portion of the hourly wage for benefits.

**III. POLICY CHANGE AND IMPLICATION**

The amendments to the Code would:

- Require the payments of wages to construction workers on county construction contracts not be less than the base hourly rate set forth in the contract;
- Requires the payment of wages be in the form of check and/or money order;
- In the event of underpayment, the contractor – if a first-time offender – will pay the construction worker 10 percent of the underpayment plus any back pay. This fee increases to 20 percent for a second violation and 30 percent upon the third violation. Upon the fourth violation the contractor will be recommended for a mandatory debarment for a period no less than three years;
- Require that bidders comply with payments of back wages on previous contracts prior to the award of the future contracts;
- Directs the County Manager to establish an administrative procedure to monitor and enforce Sect. 2-11.16 of the Code.

**CEERC ITEM 3(B)**

**October 11, 2005**

**IV. ECONOMIC IMPACT**

This should not have a fiscal impact on the County.

**V. COMMENTS AND QUESTIONS**

- The Memo states that this “**should** not pose a fiscal impact to the County.” Under what circumstances could this pose a fiscal impact?
- How would the County handle the Enforcement Across Contracts?

**LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT**

***AGENDA ITEM APPROVING THE REPROGRAMMING OF CDBG, HOME AND HATF FUNDS***

Office of Community and Economic Development

**I. SUMMARY**

This item recaptures a total of \$3.7 million in federal Community Development Block Grant (CBDG) funds, Home Investment Partnership (HOME) funds, and Hurricane Andrew Trust Funds (HATF) from projects that were completed with a surplus, projects with expired contracts and projects which failed to use their funds. This item also reallocates funds to 52 activities.

**II. PRESENT SITUATION**

The Office of Community and Economic Development (OCED) identified 178 funded activities which were either completed with a surplus, the projects' contract expired, or the projects are no longer feasible.

**III. POLICY CHANGE AND IMPLICATION**

This item reallocates funds to 52 activities which are feasible. In identifying these 52 activities, OCED reviewed requests for additional funding, and revisited those activities that did not receive full funding when the original RFA was issued by the Board of County Commissioners for FY 2005. OCED also consulted with County Commissioners, the Manager's Office, and agencies in compiling the list of activities that would receive reprogrammed funds.

U.S. HUD compliance standard is that entitlements' expenditure rates should be equal to or less than 1.5 times the amount of its annual allocation. The County has been in compliance with this standard for the past two years. The reprogramming of these funds will not affect our 1.5 ratio.

**IV. ECONOMIC IMPACT**

<b>Funding Source</b>	<b>Recaptured Amount</b>
Community Development Block Grant Funds	\$2,375,833.51
Home Investment Partnership funds	\$1,184,000
Hurricane Andrew Trust Funds	\$154,000
<b>Total</b>	<b>\$3,713,833.51</b>

**V. COMMENTS AND QUESTIONS**

Answers provided by OCED:

***Q: How long do these agencies have to spend the reallocated money before the funds must be returned to U.S. HUD? Please explain how OCED will ensure that these reallocated funds will be spent in a timely manner.***

A: The existing contracts will be extended based on the dollars and scope to be met. Some might be extended for a year or less. The need is such that we have no doubt that these dollars will be spent.

***Q: Could you provide the County's CDBG expenditure ratio (per year) for the last three years?***

A.      As of 10/31/2003   1.14  
            As of 10/31/2004   1.09  
            As of 10/01/2005   1.34

ADDITIONAL INFORMATION

<u>Item#</u>	<u>Subject Matter</u>	<u>Comments/Questions</u>
3(A)	TJIF Program	<p>The current Living Wage Rate as defined in Section 2-8.9 of the Code of Miami-Dade County, as of October 1, 2005, is \$9.81 per hour with qualifying health benefits valued at least \$1.42 per hour, otherwise \$11.23 per hour.</p> <p>This Ordinance requires companies to pay employees no less than the Living Wage Rate in order to participate in the Targeted Jobs Incentive Program (TJIF.) Currently, there is no way of ensuring that jobs created by the TJIF Program provide above average wages.</p> <p>The TJIF Program is an initiative by The Beacon Council and Miami-Dade County patterned after the State of Florida Qualified Target Industry Tax Refund Program (QTI.) The QTI Program's intent is to attract relocating out-of-area businesses and encourage expansion of existing local companies by providing cash incentive awards.</p>
4(A)	Settlement of pending litigation	<p>This item authorizes a settlement agreement between the County and Eating Well LLC.</p> <p>Did the county monitor MIA's performance while the company managed the Helen Sawyer Plaza Assisted Living Facility?</p>